IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPEAL NO. 327 OF 2006

The Commissioner of Income Tax City-4, Mumbai. ... Appellant

V/s.

M/s. Setron Synthetics Ltd. ... Respondent

Mr. R.G. Bhatt for the appellant.

None for the respondent.

CORAM : H.L. GOKHALE &
V.R. KINGAONKAR,JJ.

DATED : 1st August, 2006

P.C.

. Heard Mr. Bhatt in support of this appeal. The authorities below have given benefit of Section 80HH and 80IA of the Income Tax Act to the respondent. The respondent is yarn manufacturing company. The question involved was, whether twisting and crimping of the yarn are to be treated as manufacturing activities. The Tribunal has followed the C.B.D.T. circular dated 2nd November, 1985 holding that these activities are manufacturing activities. It is also pointed out that, that circular has been approved by this Court in **Commissioner of Income Tax V/s. Bipinali Textiles Pvt. Ltd.** reported in **189 ITR 61**

in a Division Bench judgment. The Tribunal could not have taken different view. There is no occasion to refer and re-agitate it in the appeal. The appeal is dismissed.

[H.L. GOKHALE, J.]

[V.R. KINGAONKAR, J.]